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## What's "like" got to do with it?

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A recent study shows that there has been a rise in assortative mating—that is, the tendency of people with similar characteristics to marry—and that this increase correlates with greater household income inequality.

In "[Marry your like: assortative mating and income inequality](#)" (National Bureau of Economic Research working paper 19829, January 2014), authors Jeremy Greenwood, Nezih Guner, Georgi Kocharkov, and Cezar Santos find that assortative mating is important for income inequality, and that income inequality in the United States has increased since 1960, in part because of more women entering the workforce. These economists tracked patterns in marriages grouped by education level from 1960 through 2005 using U.S. Census data.

To assess the overall impact of these trends on income inequality, the researchers conducted a test. They first computed the overall level of income inequality in 1960 and in 2005. Then they estimated what the level of income inequality would have been if education didn't matter in selecting a spouse, and if men and women with lots of schooling were as likely to marry people with relatively little education as they were to choose more highly educated partners. The difference in those two numbers would mark the impact of assortative mating by education on income inequality.

The statistic that they used to gauge income inequality was the Gini coefficient, which measures income distribution: a Gini coefficient of zero stands for perfect equality, whereas a Gini coefficient of 1 (or 100 percent) stands for maximum inequality. The authors estimated that the Gini coefficient was .34 in 1960. When they randomly matched people by education level and recalculated the coefficient, the answer was basically the same: the Gini coefficient still stood at .34, suggesting that assortative mating by education played little, if any, role in income inequality. Then they applied the same method to 2005 data. Now the overall Gini coefficient was .43. But when they randomly matched people by education and reran their analysis, the Gini index plummeted back down to .34, showing that today, "assortative mating is important for income inequality." One reason for these changes is that married females worked more in 2005 than in 1960 and had married similarly educated men, which reinforces the income gains for highly educated couples. When the researchers randomly matched men and women by education level, income inequality in 2005 declined.

As more women have entered the workforce, the women with college degrees are more likely to marry someone who also has a college degree, thus increasing their household income at a much higher rate than women who entered the workforce with less education and married men with less education.

Highly educated people are increasingly more likely to marry other highly educated people while those with less formal schooling are more likely to choose a less well-educated partner. Income inequality has increased both because education is strongly correlated with income and because more women have entered the workforce.